REMARKS/ARGUMENTS

Reconsideration and withdrawal of the rejections of the application are respectfully requested in view of the amendments and remarks herewith, which place the application into condition for allowance. The present amendment is being made to facilitate prosecution of the application.

I. STATUS OF THE CLAIMS AND FORMAL MATTERS

Claims 1-5, 7-19 and 21-36 are currently pending. Claims 1, 15, 29 and 33 are independent. Claims 1, 7-11, 15, 21-25, 29 and 33 are hereby amended. No new matter has been introduced. Support for this amendment is provided throughout the Specification, specifically on pages 14-16. Claims 6 and 20 have been canceled, without prejudice or disclaimer of subject matter. Changes to the claims are not made for the purpose of patentability within the meaning of 35 U.S.C. §101, §102, §103, or §112. Rather, these changes are made simply for clarification and to round out the scope of protection to which Applicants are entitled.

II. REJECTIONS UNDER 35 U.S.C. §102(b) and 35 U.S.C. §103(a)

Claims 1-5, 15-19 and 29-36 were rejected under 35 U.S.C. §102(b) as allegedly anticipated by U.S. Patent No. 5,796,828 to Tsukamoto et al. (hereinafter, merely "Tsukamoto").

Claims 6-8, 14, 20-22 and 28 were rejected under 35 U.S.C. §103(a) as allegedly unpatentable over Tsukamoto in view of U.S. Patent No. 5,790,176 to Craig (hereinafter, merely "Craig").

12 of 15 00346934

Claims 12-13 and 26-27 were rejected under 35 U.S.C. §103(a) as allegedly unpatentable over Tsukamoto in view of U.S. Patent No. 6,588,015 to Eyer et al. (hereinafter, merely "Eyer").

Claims 9-11 and 23-25 were rejected under 35 U.S.C. §103(a) as allegedly unpatentable over Tsukamoto in view of Craig and in further view of U.S. Patent No. 5,790,236 to Hershtik et al. (hereinafter, merely "Hershtik").

III. RESPONSE TO REJECTIONS

Claim 1 recites, inter alia:

"An information recording apparatus comprising:

...fee charging means for charging when said first recording medium is unloaded by said unloading means;

selecting means for selecting quality of said information to be stored in said first recording medium by said information recording means; and

wherein said fee charging means varies the amount of charge according to the quality selected through said selecting means." (emphasis added)

As understood by Applicants, Tsukamoto relates to a controlled-access broadcast signal receiving system. An apparatus and method for transferring from a broadcaster to a receiver a limited reproduction right in data. A signal indicating the limited reproduction right is transmitted by the broadcaster and stored by the receiver with the data. The receiver reproduces and processes the data as the function of this signal.

As understood by Applicants, Craig relates to a media server for supplying video and multi-media data over the public switched telephone network. The media server receives, stores and forwards multimedia data and full motion video feature presentations. The media

13 of 15 00346934

server receives wide band digital video and MPEG encoded video signals. The media server includes four levels of storage including DRAM, optical and magnetic disk storage, high speed tape storage and archival storage.

Applicants respectfully submit that Tsukamoto and Craig, taken alone or in combination, fail to teach or suggest the features of claim 1. Specifically, Applicants submit that there is no teaching or suggestion of an information recording apparatus comprising selecting means for selecting quality of said information to be stored in said first recording medium by said information recording means; and wherein said fee charging means varies the amount of charge according to the quality selected through said selecting means, recited in claim 1.

The Office Action cites Column 11, line 43 - Column 12, line 15 of Craig, which recites "Depending upon the type of memory device requested by a subscriber, the price of the premium would be altered. For example, DRAM dedicated to a single subscriber or group of subscribers would require a higher premium than an archival tape..."

Applicants submit that Craig teaches away from the invention as recited in claim

1. Craig teaches of altering the charging fee in view of the <u>recording medium</u>. The present invention claims varying the amount of a charging fee in relation to the <u>quality</u> of information to be stored.

Applicants' note that the other relied upon art does not disclose any feature pertaining to the aforementioned features of claim 1.

Therefore, Applicants respectfully submit that claim 1 is patentable.

For reasons similar to those described above with regard to independent claim 1, independent claims 15, 29 and 33 are also believed to be patentable.

14 of 15 00346934

Therefore, Applicants submit that independent claims 1, 15, 29 and 33 are patentable.

IV. DEPENDENT CLAIMS

The other claims are dependent from one of the independent claims discussed above, and are therefore believed patentable for at least the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

CONCLUSION

In the event the Examiner disagrees with any of the statements appearing above with respect to the disclosures in the cited reference or references, it is respectfully requested that the Examiner specifically indicate those portion or portions of the reference or references, providing the basis for a contrary view.

Please charge any additional fees that may be needed, and credit any overpayment, to our Deposit Account No. 50-0320.

In view of the foregoing amendments and remarks, it is believed that all of the claims in this application are patentable and Applicants respectfully request early passage to issue of the present application.

Respectfully submitted,

FROMMER LAWRENCE & HAUG LLP Attorneys for Applicants

Thomas F. Presson

Reg. No. 41,442 (212) 588-0800